



## DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES

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December 28, 2005

RE: Medicare Part D Excluded Drugs

Dear South Dakota Medicaid Pharmacy Provider:

Beginning January 1, 2006 your patients, who are eligible for both Medicaid and Medicare benefits commonly referred to as dual, will change from having drug coverage through South Dakota Medicaid to a Medicare Part D Prescription Drug Plan (PDP). These patients will be expected to follow PDP formularies or go through the PDP prior approval processes and/or appeals processes, except for Medicare Part D Excluded Drugs.

Medicare Part D Excluded Drugs are specific categories of drugs do not have to be covered by the PDPs. Excluded drugs, currently covered by South Dakota Medicaid, will continue to be covered for the dual eligibles. The covered excluded drugs include:

- Benzodiazepines
- Barbiturates
- Drugs for anorexia, weight loss, or weight gain (requires prior authorization)
- Drugs used for symptomatic relief of cough and colds
- Prescription vitamins and mineral products; and
- Non-prescription drugs (currently Prilosec OTC and loratadine).

Claim adjudication for excluded drug claims will be handled as all other coordination of benefit claims. Because some PDPs may be covering excluded drugs, the claim must first be billed to the PDP. If it is denied as a non-covered drug, the claim can then be billed to South Dakota Medicaid using a 03-Other Coverage Code.

If you have questions about these procedures, please do not hesitate to contact me.

Sincerely,

Mark Petersen, R.Ph.  
Pharmacy Consultant